



Substitute House Bill No. 5141

Public Act No. 10-79

***AN ACT CONCERNING THE HANDLING OF PROPERTY CLAIMS
BY PUBLIC ADJUSTERS.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Section 38a-723 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2010*):

As used in this title, unless the context or subject matter otherwise requires, "public adjuster" means any person, partnership, association, limited liability company or corporation who or which: [practices as a business the adjusting of loss or damage by fire or other hazard under any policies of insurance in behalf of the insured under such policies, or who advertises]

(1) On behalf of an insured and for monetary or other compensation or anything of value, (A) prepares, documents and submits a first-party property claim to an insurance company for loss or damage by a covered peril under a personal or commercial risk insurance policy, as defined in section 38a-663, issued by such company, or (B) negotiates, adjusts or effects the settlement of such claim;

(2) Advertises or solicits business as a public adjuster; [,] or [holds]

(3) Holds himself or itself out to the public as engaging in [such

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adjusting] the activities set forth in subparagraphs (A) and (B) of subdivision (1) of this section as a business. Lawyers settling claims of clients shall not be deemed to be [insurance] public adjusters.

Sec. 2. Section 38a-724 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2010*):

(a) The use of an employment contract between a public adjuster and [a client] the insured shall be mandatory. Such contract shall contain a provision specifying that the [client] insured may cancel the contract, provided [he] such insured notifies the public adjuster at [his] such public adjuster's main office or branch office at the address shown in the contract, by certified mail, return receipt requested, posted not later than midnight of the second calendar day after the day on which the [client] insured signs the contract, except that if the signing is on a Friday, Saturday or Sunday, the cancellation shall be posted not later than midnight of the Tuesday immediately following, and thereafter the contract shall be void ab initio.

(b) No public adjuster shall solicit an insured between the hours of eight o'clock p.m. and eight o'clock a.m.